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Performance report on the budget of the United Nations Logistics Base for the period from 1 July 2003 to 30 June 2004

Report of the Secretary-General

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Summary

The present report contains the performance report on the budget of the United Nations Logistics Base at Brindisi, Italy (UNLB), for the period from 1 July 2003 to 30 June 2004.

The total expenditure for UNLB for the period from 1 July 2003 to 30 June 2004 has been linked to the objective of the Logistics Base through a results-based framework under a support component.

Performance of financial resources

(Thousands of United States dollars. Budget year is from 1 July 2003 to 30 June 2004.)

			Variance	
Category	*Apportionment*	*Expenditure*	*Amount*	*Percentage*
Civilian personnel	7 091.3	8 537.5	(1 446.2)	(20.4)
Operational requirements	15 116.8	13 521.6	1 595.2	10.6
Gross requirements	**22 208.1**	**22 059.1**	**149.0**	**0.7**
Staff assessment income	1 258.5	1 377.1	(118.6)	(9.4)
Net requirements	**20 949.6**	**20 682.0**	**267.6**	**1.3**
Voluntary contributions in kind (budgeted)	—	—	—	—
Total requirements	**22 208.1**	**22 059.1**	**149.0**	**0.7**

Human resources incumbency performance

Category	*Approved*[a]	*Planned (average)*	*Actual (average)*	*Vacancy rate (percentage)*[b]
International staff	37	31	29	6.5
National staff	99	94	96	(2.1)

[a] Represents the highest level of authorized strength.

[b] Based on monthly incumbency and approved monthly strength.

The actions to be taken by the General Assembly are set out in section V of the present report.

I. Introduction

1. The budget for the maintenance of the United Nations Logistics Base (UNLB) at Brindisi, Italy, for the period from 1 July 2003 to 30 June 2004 was set out in the report of the Secretary-General of 18 December 2002 (A/57/670) and amounted to $23,262,900 gross ($22,004,400 net). It provided for 37 international staff and 99 national staff. The Advisory Committee on Administrative and Budgetary Questions, in paragraph 27 of its report dated 3 April 2003 (A/57/772/Add.9), recommended that the General Assembly appropriate $22,208,100 gross for the period from 1 July 2003 to 30 June 2004.

2. The General Assembly, by its resolution 57/320 of 18 June 2003, appropriated an amount of $22,208,100 gross ($20,949,600 net) for the maintenance of the Logistics Base for the period from 1 July 2003 to 30 June 2004. The total amount has been assessed on Member States.

II. Mandate performance

3. The United Nations Logistics Base has been in operation since late 1994 under a rent-free arrangement with the Republic of Italy. The memorandum of understanding regarding the use of the facilities by the United Nations was signed by the Secretary-General and the Republic of Italy on 23 November 1994 and amended on 7 December 2001.

4. The Logistics Base is mandated to help the Security Council achieve an overall objective, namely, to ensure effective and efficient peacekeeping operations.

5. Within this overall objective, the Logistics Base has, during the performance report period, contributed to a number of accomplishments by delivering related key outputs, shown in the framework below. This framework has been presented along six programmatic lines, namely, maintenance of assets and facilities, supply and warehousing, communications and information technology, training, air operations and administration.

6. The 2003/04 period is the first period for which the Logistics Base was able to assess its performance against the planned results-based framework set out in the 2003/04 budget. The performance report compares the actual indicators of achievement, the extent to which actual progress has been made during the period against the expected accomplishments, with the planned indicators of achievement, and compares the actually completed outputs with the planned outputs.

Support

Expected accomplishment 1.1: Reduction of the time required to plan, rapidly deploy and establish peacekeeping operations in response to Security Council mandates

Planned indicators of achievement	*Actual indicators of achievement*
Deployment of a traditional/ complex mission headquarters within 30/90 days of the adoption of a Security Council resolution	Deployed strategic deployment stocks and reserve stocks to 6 missions (the United Nations Stabilization Mission in Haiti, the United Nations Operation in Côte d'Ivoire, the United Nations Mission in Liberia, the United Nations Operation in Burundi, the United Nations Assistance Mission for Iraq and the Sudan)
Successful completion of rapid deployment exercise	Successfully completed 2 rapid deployment exercises facilitated by Headquarters

Planned outputs	*Completed (number or yes/no)*	*Remarks*
Managed and maintained strategic deployment stocks	Yes	
Implemented inventory management system for strategic deployment stocks	Yes	

Expected accomplishment 1.2: Increased efficiency and effectiveness in conducting, managing, directing and supporting peacekeeping operations

Planned indicators of achievement	*Actual indicators of achievement*
99.5% of shipments from the Logistics Base received by missions are not damaged	99.2% of shipments received by missions not damaged
Reduced backlog of processing incoming shipments from 2 weeks to 1 week	Not achieved owing to the additional workload of start-up of a high number of new missions
98% availability of Department of Peacekeeping Operations (formerly Field Administration and Logistics Division) Reserve	Achieved
Reduced excess of obsolete property	Reduced from $11.7 million to $4.5 million
99.5% availability of worldwide communication and information technology network	Achieved

Positive feedback from training participants surveyed	**94.4% of training participants surveyed gave positive feedback on the training facilities and support**

Planned outputs	*Completed (number or yes/no)*	*Remarks*
Maintenance of assets and facilities programme		
• Renovated 6 buildings	2	Lower number owing to delayed clearances
• Implemented increase in warehouse shelf capacity by 8,700 m^3	Yes	
• Maintained 45 buildings	45	
• Established 2 soft-wall shelters	2	For strategic deployment stocks vehicle storage and maintenance at San Pancrazio
• Implemented automatic back-up power supply	Yes	One emergency start generator installed for 6 buildings
• Installed 5 dehumidification systems	10	Installed 10 dehumidifiers in soft-wall units in San Pancrazio and in building 223 in Brindisi. Additionally, installed 2 ventilation systems in sprung shelters
• Constructed hazardous material storage site	No	Clearance awaited
Supply and warehousing programme		
• Shipped 10,000 tons of goods	9 265	Lower number is because some strategic deployment stocks were shipped directly from the manufacturers to the missions
Communications and information technology programme		
• Maintained worldwide communications and information technology network for peacekeeping missions and Headquarters	Yes	
• Installed disaster recovery site for backing up 50% of critical services	No	Limited capability commenced in June 2004. Targeted for completion in 2004-05

• Handled 20,000 calls from missions for communications and information technology support	29 723	Exceeded planned output owing mainly to service support to 6 additional missions 24 hours a day, 7 days a week
• Managed and maintained communications and information technology equipment for strategic deployment stocks	Yes	
Training programme		
• Managed 100 courses for 1,400 participants	96 1 317	Courses Participants
• Established 6 training rooms	6	
• Maintained accommodation facilities for course participants	No	Provision for accommodation was discontinued
Air operations programme		
• Handled 140 aircraft movements	78	Excludes World Food Programme related aircraft movements
• Implemented accident prevention measures	Yes	Including enforced ramp safety activities and Airside Drivers Briefing cards issued to all staff
• Established comprehensive aviation library	Yes	
• Implemented emergency response plan	No	50% completed. Scheduled completion date 2004-05
• Trained personnel in aviation safety	15	
Administration programme		
• Made 4,500 payments	4 510	
• Administered 75 contracts	448	
• Administered 136 staff	125	
• Completed 400 inter-office vouchers and inter-office billings for missions	Yes	
• Provided daily security for Logistics Base complex	Yes	Daily security provided to United Nations employees in 2 locations (UNLB and San Pancrazio)

III. Resource performance

A. Financial resources

(Thousands of United States dollars. Budget year is from 1 July 2003 to 30 June 2004.)

			Variance	
	Apportionment	*Expenditure*	*Amount*	*Percentage*
Category	*(1)*	*(2)*	*(3) = (1) - (2)*	*(4) = (3) ÷ (1)*
Civilian personnel				
International staff	2 889.0	3 537.5	(648.5)	(22.4)
National staff	4 202.3	5 000.0	(797.7)	(19.0)
United Nations Volunteers	—	—	—	—
Subtotal	**7 091.3**	**8 537.5**	**(1 446.2)**	**(20.4)**
Operational costs				
General temporary assistance	59.0	60.2	(1.2)	(2.0)
Government-provided personnel	—	—	—	—
Civilian electoral observers	—	—	—	—
Consultants	50.0	35.2	14.8	29.6
Official travel	325.1	197.1	128.0	39.4
Facilities and infrastructure	4 102.1	3 798.3	303.8	7.4
Ground transportation	1 609.3	1 481.4	127.9	7.9
Air transportation	—	—	—	—
Naval transportation	—	—	—	—
Communications	5 218.1	4 758.8	459.3	8.8
Information technology	2 391.7	2 241.3	150.4	6.3
Medical	102.8	—	102.8	100.0
Special equipment	—	—	—	—
Other supplies, services and equipment	1 258.7	949.3	309.4	24.6
Quick-impact projects	—	—	—	—
Subtotal	**15 116.8**	**13 521.6**	**1 595.2**	**10.6**
Gross requirements	**22 208.1**	**22 059.1**	**149.0**	**0.7**
Staff assessment income	1 258.5	1 377.1	(118.6)	(9.4)
Net requirements	**20 949.6**	**20 682.0**	**267.6**	**1.3**
Voluntary contributions in kind (budgeted)	—	—	—	—
Total requirements	**22 208.1**	**22 059.1**	**149.0**	**0.7**

B. Other income and adjustments

(Thousands of United States dollars)

Category	*Amount*
Interest income	1 382.0
Other/miscellaneous income	668.0
Voluntary contributions in cash	—
Prior-period adjustments	—
Savings on or cancellation of prior-period obligations	242.0
Total	**2 292.0**

C. Value of non-budgeted contributions

(Thousands of United States dollars)

Category	*Actual value*
Memorandum of understanding[a]	1 620.7
Voluntary contributions in kind (non-budgeted)	—
Total	**1 620.7**

[a] Inclusive of office buildings, workshop structures and warehouse structures from the Republic of Italy.

IV. Analysis of variances[1]

	Variance	
International staff	($648.5)	(22.4%)

7. Additional requirements were due mainly to high turnover of international staff assigned to Brindisi, resulting in increased costs associated with assignment and repatriation. In addition, post adjustment increased each subsequent month from 19.3 per cent in July 2003 to 31 per cent in June 2004.

	Variance	
National staff	($797.7)	(19.0%)

8. Additional requirements were due mainly to salary revision, resulting in a 2.9 per cent increase retroactive from 1 July 2003 and the appreciation of the euro as compared to the United States dollar during the financial period.

[1] Resource variance amounts are expressed in thousands of United States dollars.

	Variance	
Consultants	$14.8	29.6%

9. Reduced requirements were due mainly to reduced costs of consultancy services, as architects were hired on individual contracts instead of using consultancy contracts with firms.

	Variance	
Official travel	$128.0	39.4%

10. Reduced requirements were due mainly to the start-up of new and expanding missions which required staff members to remain at the Base, resulting in the cancellation of planned travel.

	Variance	
Facilities and infrastructure	$303.8	7.4%

11. Reduced requirements were due mainly to the cancellation of three projects for the renovation and alteration of buildings because of the delay in approval from authorities.

	Variance	
Ground transportation	$127.9	7.9%

12. Reduced requirements were mainly under repair and maintenance owing to a delay in the arrival of the strategic deployment stocks vehicles. Moreover, the delivery of strategic deployment stocks vehicles directly to the missions resulted in reduced requirements to support and preserve the anticipated strategic deployment stocks fleet of 1,190 vehicles.

	Variance	
Communications	$459.3	8.8%

13. Reduced requirements were mainly under equipment maintenance owing to the launching of new missions and the slower than expected arrival of strategic deployment stocks replenishment stocks leading to a reduction in the cost of maintaining strategic deployment stocks communications equipment.

	Variance	
Information technology	$150.4	6.3%

14. Reduced requirements were mainly under repair and maintenance owing to the launching of new missions and the slower than expected arrival of strategic deployment stocks replenishment stocks, leading to a reduction in maintenance and repair costs of information technology equipment.

	Variance	
Medical	$102.8	100.0%

15. Reduced requirements were due to the delayed signing of a contract for warehouse rental, inventory management and equipment maintenance of the medical component of strategic deployment stocks to be based in Germany.

	Variance	
Other supplies, services and equipment	$309.4	24.6%

16. Reduced requirements were mainly under training fees, supplies and services owing to the start-up of new missions, which required staff members to remain at the base, resulting in the cancellation of planned training events for UNLB staff.

V. Actions to be taken by the General Assembly

17. **The actions to be taken by the General Assembly in connection with the financing of UNLB are:**

(a) **To decide on the treatment of the unencumbered balance of $149,000 with respect to the period from 1 July 2003 to 30 June 2004;**

(b) **To decide on the treatment of other income/adjustments for the period ended 30 June 2004 amounting to $2,292,000 from interest income ($1,382,000), other/miscellaneous income ($668,000) and savings on or cancellation of prior-period obligations ($242,000).**